



STATE OF MARYLAND



**FREDERICK COUNTY LIQUOR BOARD**

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Kathy Vahle Dean  
Administrator

TO: All Alcoholic Beverages License Holders in Frederick County

FROM: Kathy Vahle Dean, Administrator

DATE: May 9, 2018

RE: Legislation from the 2018 Session

During the 2018 Session in Annapolis, several bills were enacted and signed into law by Governor Hogan that may affect the holders of alcoholic beverages licenses in Frederick County. Most of these bills become effective on July 1, 2018.

A summary of all the Frederick County and applicable Statewide bills are below. Copies of the bills are attached to this letter. Not every bill will affect your particular situation. If you need any further information, please contact the office at 301-600-2984 and we will be happy to help you.

**Senate Bill 253 (Chapter 224)**

Senate Bill 253 permanently prohibits the sale of powdered alcohol anywhere in the State of Maryland. Please note that this law goes into effect **June 1, 2018**.

**Senate Bill 219/House Bill 501 (Chapters 91 and 92)**

Senate Bill 219 and House Bill 501 reduces the required seating requirement in Frederick County for Class B, Beer, Wine and Liquor license holders to 28 persons. This includes all restaurants, hotels, luxury-type restaurants in the Ballenger election district. The law goes into effect **July 1, 2018**.

**Senate Bill 220/House Bill 506 (Chapters 93 and 94)**

Senate Bill 220 and House Bill 506 establish an Arena License that will authorize the Board to issue a license to an institution of higher learning to sell beer and wine by the drink from one or more outlets that the Board approves for on-premises consumption at sporting and nonsporting events held at the institution. The law goes into effect ***July 1, 2018***.

**Senate Bill 263/House Bill 507 (Chapters 95 and 96)**

Senate Bill 263 and House Bill 507 amend the existing Banquet Facility License to replace the \$250,000 capital investment excluding the cost of land, buildings, and leases with a full commercial kitchen and adequate public bathroom facilities. The law goes into effect ***July 1, 2018***.

**Senate Bill 447 (Chapter 276)**

Senate Bill 276 establishes a cheese and deli shop wine privilege to the holder of a Class A Beer and Wine license to sell not more than 5 ounces of wine by the glass for on-premises consumption to a customer while the customer purchases items at the cheese and deli shop or while attending a fund raising event under certain conditions. The holder of the privilege may sell wine for on-premise consumption during normal business hours but no later than 9 pm, and is subject to the alcohol awareness training requirement. The Board is authorized to issue approval to an establishment that has average daily receipts from the sale of cheese, meats, sandwiches, and other products normally associated with delis that are at least 50% of the total daily receipts. The annual fee for this privilege is \$100. The law goes into effect ***July 1, 2018***.

Chapter 224

(Senate Bill 253)

AN ACT concerning

**Alcoholic Beverages – Sale of Powdered Alcohol – Prohibition**

FOR the purpose of repealing a provision that provides for the termination of a prohibition on selling alcoholic beverages that are sold in a powder or crystalline form for direct use or use in combination with water or any other substance; and generally relating to a prohibition on the sale of powdered alcohol.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 6–326

Annotated Code of Maryland

(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,

Chapter 564 of the Acts of the General Assembly of 2016

Section 3

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – Alcoholic Beverages**

6–326.

(a) A person may not sell or offer for sale alcoholic beverages that are sold in powder or crystalline form for direct use or use in combination with water or any other substance.

(b) (1) A person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000.

(2) Each violation of this section is a separate offense.

**Chapter 564 of the Acts of 2016**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. [It shall remain effective for a period of 2 years and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~  
June 1, 2018.

**Approved by the Governor, April 24, 2018.**



Chapter 91

**(Senate Bill 219)**

AN ACT concerning

**Frederick County – Alcoholic Beverages – Seating Requirement for Class B Licenses**

FOR the purpose of altering the seating requirement for facilities in Frederick County for which certain Class B alcoholic beverages licenses are issued; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,  
Article – Alcoholic Beverages  
Section 20–102  
Annotated Code of Maryland  
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,  
Article – Alcoholic Beverages  
Section 20–902, 20–903, and 20–904  
Annotated Code of Maryland  
(2016 Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – Alcoholic Beverages**

20–102.

This title applies only in Frederick County.

20–902.

- (a) There is a Class B license in the Ballenger (23rd) election district.
- (b) The Board may issue the license for use by a luxury-type restaurant that has:
  - (1) a capital investment of at least \$250,000 for dining room facilities and kitchen equipment, not including the cost of land, buildings, or leases; and
  - (2) seating for at least **[50] 28** individuals.
- (c) The license authorizes the sale of beer, wine, and liquor for on-premises consumption.

(d) The license holder may sell beer, wine, and liquor during the hours and days as set out under § 20-2006(d) of this title.

(e) The annual license fee is \$1,500.

(f) The Board shall define “luxury-type restaurant” by regulation.

20-903.

(a) There is a Class B beer, wine, and liquor hotel or motel license.

(b) The Board may issue the license for use by a hotel or motel that:

(1) is an establishment to accommodate the public by providing services ordinarily found in a hotel or motel;

(2) has at least 15 rooms;

(3) has a dining room with facilities for preparing and serving full-course meals for at least **[50] 28** individuals at one seating; and

(4) has a capital investment in the hotel or motel facility of at least \$400,000.

(c) (1) The license authorizes the license holder to sell beer, wine, and liquor by the individual drink at any place on the hotel or motel premises.

(2) (i) Subject to subparagraph (ii) of this paragraph, the license authorizes the license holder to sell beer, wine, and liquor by the bottle:

1. at any place on the premises for a banquet, party, hospitality room, meeting, or a similar function; and

2. for dinner in the restaurant portion of the premises.

(ii) A customer may not remove from the premises any contents of a bottle sold under this paragraph that remains unused.

(3) (i) The license authorizes the sale of beer, wine, and liquor by the bottle through room service to a registered patron in a hotel or motel room.

(ii) Not more than two bottles may be sold through room service to any one customer in a 24-hour period.

(iii) A bottle sold through room service may be removed from the

premises by the customer on checking out from the hotel or motel.

(d) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class B beer, wine, and liquor license under § 20–2005(b) of this title.

(e) The annual license fee is \$2,000.

20–904.

(a) There is a Class B beer, wine, and liquor hotel or restaurant license.

(b) The Board may issue the license for use by a hotel that:

(1) is an establishment for the accommodation of the public providing service ordinarily found in hotels;

(2) contains:

(i) at least 25 rooms;

(ii) a lobby with a registration and mail desk; and

(iii) seating facilities and a dining room that serves full–course meals at least twice daily and that has a regular seating at tables, not including seats at bars or counters, for [50] 28 or more individuals; and

(3) is operated in a facility that:

(i) is valued for State and local assessment and taxation at not less than \$20,000; and

(ii) has personal property valued for State and local assessment and taxation at not less than \$3,000.

(c) (1) Subject to paragraph (2) of this subsection, the Board may issue the license for use by a restaurant that:

(i) serves full–course meals at least twice daily;

(ii) has regular seating at tables, not including seats at bars or counters, for [50] 28 or more individuals;

(iii) is operated in a facility valued for State and local assessment and taxation at not less than \$40,000; and

(iv) has personal property valued for State and local assessment and



taxation at not less than \$5,000.

(2) (i) This subsection does not apply to or affect any license holder that had the license on December 31, 1993, or to a person who has a permit for a building that was under construction on that date.

(ii) The area normally used as a restaurant for the preparation and consumption of food and beverages shall occupy at least 80% of the square foot area of the licensed premises, except for premises used for recreation, such as a bowling alley or pool hall.

(3) (i) The license holder may remove tables and chairs to accommodate additional patrons at not more than four special events held in the restaurant in a calendar year.

(ii) A restaurant that removes its tables and chairs for a special event:

1. shall give notice to the Board at least 1 week before the event;

2. shall store the removed tables and chairs in an appropriate location in the restaurant and in a manner that does not block the exits of the restaurant; and

3. may not allow into the restaurant more than the maximum number of occupants that the County Fire Marshal allows.

(d) (1) The license issued for a hotel or restaurant:

(i) authorizes the sale of beer, wine, and liquor for on-premises consumption where meals are prepared and served; and

(ii) prohibits sales for consumption anywhere else, including at a bar or counter.

(2) The license issued for a restaurant authorizes the sale for off-premises consumption of beverages with an alcoholic content of not more than 14.5%.

(e) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class B beer, wine, and liquor license under § 20-2005(b) of this title.

(f) The annual license fee is:

(1) \$1,500 for a restaurant; and



- (2) \$2,000 for a hotel.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

**Approved by the Governor, April 10, 2018.**

Chapter 93

**(Senate Bill 220)**

AN ACT concerning

**Frederick County – Alcoholic Beverages – Arena License**

FOR the purpose of establishing in Frederick County a Class B–A (arena) beer and wine license; specifying that the license authorizes the license holder to sell beer and wine by the drink on the campus of an institution of higher education from one or more outlets that the Board of License Commissioners approves and for on–premises consumption at sporting and nonsporting events held at the institution; requiring the Board to adopt certain regulations; and generally relating to alcoholic beverages licenses in Frederick County.

BY renumbering

Article – Alcoholic Beverages

Section 20–1001, 20–1001.1, and 20–1001.2, respectively

to be Section 20–1001.1, 20–1001.2, and 20–1001.3, respectively

Annotated Code of Maryland

(2016 Volume and 2017 Supplement)

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages

Section 20–102

Annotated Code of Maryland

(2016 Volume and 2017 Supplement)

BY adding to

Article – Alcoholic Beverages

Section 20–1001

Annotated Code of Maryland

(2016 Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 20–1001, 20–1001.1, and 20–1001.2, respectively, of Article – Alcoholic Beverages of the Annotated Code of Maryland be renumbered to be Section(s) 20–1001.1, 20–1001.2, and 20–1001.3, respectively.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

**Article – Alcoholic Beverages**

20–102.

This title applies only in Frederick County.

**20-1001.**

**(A) THERE IS A CLASS B-A (ARENA) BEER AND WINE LICENSE.**

**(B) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO SELL BEER AND WINE BY THE DRINK ON THE CAMPUS OF AN INSTITUTION OF HIGHER EDUCATION:**

**(1) FROM ONE OR MORE OUTLETS THAT THE BOARD APPROVES; AND**

**(2) FOR ON-PREMISES CONSUMPTION AT SPORTING AND NONSPORTING EVENTS HELD AT THE INSTITUTION.**

**(C) THE BOARD SHALL ADOPT REGULATIONS CONCERNING THE MANNER OF DISPENSING BEER AND WINE, THE HOURS AND DAYS OF SALE, AND THE ANNUAL LICENSE FEE.**

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

**Approved by the Governor, April 10, 2018.**

Chapter 95

(Senate Bill 263)

AN ACT concerning

**Frederick County – Alcoholic Beverages – Banquet Facility License**

FOR the purpose of repealing a certain capital investment requirement for the issuance of a Class B–BF (banquet facility) beer, wine, and liquor license in Frederick County; requiring that a banquet facility have a full commercial kitchen and adequate public bathroom facilities before a banquet facility license may be issued; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,  
Article – Alcoholic Beverages  
Section 20–102  
Annotated Code of Maryland  
(2016 Volume and 2017 Supplement)

BY repealing and reenacting, with amendments,  
Article – Alcoholic Beverages  
Section 20–1001.1  
Annotated Code of Maryland  
(2016 Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – Alcoholic Beverages**

20–102.

This title applies only in Frederick County.

20–1001.1.

- (a) There is a Class B–BF (banquet facility) beer, wine, and liquor license.
- (b) The Board may issue the license for use by a banquet facility that:
  - (1) accommodates the public for banquets, parties, meetings, and similar functions;
  - (2) contains a dining room with adequate facilities for preparing and serving full-course meals for at least 100 individuals who are inside the facility or outside on the premises at one seating; and



(3) has a [capital investment of at least \$250,000, excluding the cost of the land, buildings, and leases] **FULL COMMERCIAL KITCHEN AND ADEQUATE PUBLIC BATHROOM FACILITIES.**

(c) (1) The license authorizes the license holder to sell at retail beer, wine, and liquor by the drink or by the bottle for on-premises consumption if:

(i) the beer, wine, and liquor are sold only during the function;

(ii) except as provided in paragraph (2) of this subsection, the license holder does not sell beer, wine, and liquor for off-premises consumption;

(iii) the license holder does not allow beer, wine, and liquor to be carried off the premises; and

(iv) food is provided at the function where the beer, wine, and liquor are provided.

(2) The license holder may sell beer, wine, and liquor for off-premises consumption if the beer, wine, and liquor is:

(i) in a collectible bottle commemorating a special anniversary or event; and

(ii) sold not more than 30 calendar days before the special anniversary or event.

(d) The license holder may sell beer, wine, and liquor during the hours and days as set out for a Class B beer, wine, and liquor license under § 20-2005 of this title.

(e) The annual license fee is \$1,500.

**SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall take effect July 1, 2018.

**Approved by the Governor, April 10, 2018.**

## Chapter 276

## (Senate Bill 447)

AN ACT concerning

**Frederick County – Alcoholic Beverages – Wine ~~License~~ Privilege – Cheese and Deli Shops**

FOR the purpose of establishing a cheese and deli shop wine ~~license~~ privilege in Frederick County; authorizing the Board of License Commissioners to issue the ~~license~~ privilege for use by an establishment for which a certain license has been issued that derives a certain percentage of its total average daily receipts from the sale of cheese, meats, sandwiches, and other products normally associated with delis; authorizing the holder of the ~~license~~ privilege to ~~provide~~ sell wine by the glass for on-premises consumption while the customer is purchasing items at the cheese and deli shop or attending a certain event; ~~prohibiting the license from being transferred to another location~~; specifying that the ~~license~~ privilege may be exercised during certain hours; providing that an establishment for which the ~~license~~ privilege is issued is subject to certain alcohol awareness training requirements; specifying an annual ~~license~~ privilege fee; and generally relating to alcoholic beverages licenses in Frederick County.

BY repealing and reenacting, without amendments,  
Article – Alcoholic Beverages  
Section 20–102  
Annotated Code of Maryland  
(2016 Volume and 2017 Supplement)

~~BY adding to~~  
~~Article – Alcoholic Beverages~~  
~~Section 20–1003.1~~  
~~Annotated Code of Maryland~~  
~~(2016 Volume and 2017 Supplement)~~

BY repealing and reenacting, with amendments,  
Article – Alcoholic Beverages  
Section 20–802  
Annotated Code of Maryland  
(2016 Volume and 2017 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – Alcoholic Beverages**

20–102.

This title applies only in Frederick County.

~~20-1003.1.~~

~~(A) THERE IS A CHEESE AND DELI SHOP WINE LICENSE.~~

~~(B) THE BOARD MAY ISSUE THE LICENSE FOR USE BY AN ESTABLISHMENT THAT HAS AVERAGE DAILY RECEIPTS FROM THE SALE OF CHEESE, MEATS, SANDWICHES, AND OTHER PRODUCTS NORMALLY ASSOCIATED WITH DELIS THAT ARE AT LEAST 50% OF THE TOTAL AVERAGE DAILY RECEIPTS OF THE ESTABLISHMENT.~~

~~(C) THE LICENSE AUTHORIZES THE LICENSE HOLDER TO PROVIDE NOT MORE THAN 5 OUNCES OF WINE BY THE GLASS FOR ON-PREMISES CONSUMPTION BY A CUSTOMER WHILE:~~

~~(1) PURCHASING ITEMS AT THE CHEESE AND DELI SHOP; OR~~

~~(2) ATTENDING A FUND-RAISING EVENT AT THE CHEESE AND DELI SHOP FOR WHICH THE DEPARTMENT OF PERMITS AND INSPECTIONS, IF REQUIRED, HAS ISSUED A PERMIT.~~

~~(D) THE LICENSE MAY NOT BE TRANSFERRED TO ANOTHER LOCATION.~~

~~(E) THE LICENSE HOLDER MAY PROVIDE WINE FOR ON-PREMISES CONSUMPTION DURING NORMAL BUSINESS HOURS BUT NOT LATER THAN 9 P.M.~~

~~(F) THE CHEESE AND DELI SHOP FOR WHICH A CHEESE AND DELI SHOP WINE LICENSE IS ISSUED IS SUBJECT TO THE ALCOHOL AWARENESS TRAINING REQUIREMENTS UNDER § 4-505 OF THIS ARTICLE, SUBJECT TO § 20-1903 OF THIS TITLE.~~

~~(G) THE ANNUAL LICENSE FEE IS \$100.~~

20-802.

(a) There is a Class A beer and wine license.

(b) (1) The license authorizes the license holder to sell beer and wine, at retail, at the place described in the license.

(2) [The] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, THE license holder shall sell the beer and wine in a sealed package or container.



(3) The package or container may not be opened and its contents may not be consumed on the premises where the beer or wine is sold.

(c) The annual license fee is \$140.

(D) (1) THE BOARD MAY ISSUE THE LICENSE WITH A CHEESE AND DELI SHOP WINE PRIVILEGE FOR USE IN AN ESTABLISHMENT THAT HAS AVERAGE DAILY RECEIPTS FROM THE SALE OF CHEESE, MEATS, SANDWICHES, AND OTHER PRODUCTS NORMALLY ASSOCIATED WITH DELIS THAT ARE AT LEAST 50% OF THE TOTAL AVERAGE DAILY RECEIPTS OF THE ESTABLISHMENT.

(2) THE PRIVILEGE AUTHORIZES THE LICENSE HOLDER TO SELL NOT MORE THAN 5 OUNCES OF WINE BY THE GLASS FOR ON-PREMISES CONSUMPTION TO A CUSTOMER WHILE THE CUSTOMER:

(I) PURCHASES ITEMS AT THE CHEESE AND DELI SHOP; OR

(II) ATTENDS A FUND-RAISING EVENT AT THE CHEESE AND DELI SHOP FOR WHICH THE DEPARTMENT OF PERMITS AND INSPECTIONS, IF REQUIRED, HAS ISSUED A PERMIT.

(3) THE HOLDER OF THE PRIVILEGE MAY SELL WINE FOR ON-PREMISES CONSUMPTION DURING NORMAL BUSINESS HOURS, BUT NOT LATER THAN 9 P.M.

(4) THE CHEESE AND DELI SHOP FOR WHICH THE PRIVILEGE IS GRANTED IS SUBJECT TO THE ALCOHOL AWARENESS TRAINING REQUIREMENTS UNDER § 4-505 OF THIS ARTICLE, SUBJECT TO § 20-1903 OF THIS TITLE.

(5) THE ANNUAL FEE FOR THE PRIVILEGE IS \$100.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.

Approved by the Governor, April 24, 2018.